



Basic Infrastructure Checklist

For registered 501(c)(3) nonprofit organizations in Colorado

The following list is a quick reference of basic filing and compliance requirements for registered 501(c)(3) nonprofits in Colorado. It outlines the foundation for your organization—policies, procedures, systems, and support mechanisms that will enhance accountability, sustainability and effectiveness.

This list is not intended to be used as a be-all-end-all list. Your organization may be subject to additional rules, regulations, and best practices due to your unique mission, subsector, and activities. This list provides a starting point for 501(c)(3) Colorado nonprofits, large and small.

Take some time to examine your files and make sure this foundation is complete. Review the list and note where individual items are located. If something is missing, find it or implement a process to create and/or secure it.

Items under “Required” are state or federal requirements: failure to comply with regulations may mean that your 501(c)(3) status will be revoked. In a time of increased accountability and public scrutiny, it is important to be able to answer questions quickly and accurately regarding your operations.

This checklist is a compilation of many documents and resources with significant feedback from nonprofit practitioners and consultants throughout the state of Colorado. We appreciate the collective wisdom of those who shared their experience and insight.

Visit www.ColoradoNonprofits.org/PandP for further resources.

This document is derived from one developed by the Michigan Nonprofit Association and is used with their permission.

Principles & Practices for Nonprofit Excellence in Colorado

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Yes	No	Governance & Leadership
Required		
<input type="checkbox"/>	<input type="checkbox"/>	▶ Required Officers (president, secretary, and treasurer; or as indicated in bylaws) (<i>CRS § 7-128-301; 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Board Member Reimbursement/Compensation Policy (<i>CRS § 7-133-102(b); 26 CFR § 53.4958-4(b)(1)(ii); 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Board Resolutions/Minutes Records (<i>CRS § 7-136-101; 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Voting Procedures (<i>CRS § 7-128-205; 990</i>)
Recommended		
<input type="checkbox"/>	<input type="checkbox"/>	Articles of Incorporation and Bylaws
<input type="checkbox"/>	<input type="checkbox"/>	Succession Plan
<input type="checkbox"/>	<input type="checkbox"/>	Board Giving Policy (100% of board members should give)
<input type="checkbox"/>	<input type="checkbox"/>	Written Board Expectations/Job Descriptions
<input type="checkbox"/>	<input type="checkbox"/>	Board Orientation, Training, and Evaluation Plans
<input type="checkbox"/>	<input type="checkbox"/>	Conflict of Interest Policy (annual signature required) (<i>990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	Board Manual
<input type="checkbox"/>	<input type="checkbox"/>	Board Recruitment Plan
<input type="checkbox"/>	<input type="checkbox"/>	Board Attendance Policy
<input type="checkbox"/>	<input type="checkbox"/>	Committee/Task Force Charter(s)
<input type="checkbox"/>	<input type="checkbox"/>	Board Terms, Rotation and Removal (Bylaws)

Yes	No	Transparency & Accountability
Required		
<input type="checkbox"/>	<input type="checkbox"/>	▶ Compliance with Legal Reporting, Tax Law, and Financial Requirements (<i>e.g., IRC § 6033; CRS § 6-16-101; 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Document Retention and Destruction Policy (<i>18 USC § 1519 – a.k.a. Sarbanes-Oxley; 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Permanent Records (<i>CRS § 7-136-101 et. seq.</i>)
Recommended		
<input type="checkbox"/>	<input type="checkbox"/>	Annual Report
<input type="checkbox"/>	<input type="checkbox"/>	Nondiscrimination Policy
<input type="checkbox"/>	<input type="checkbox"/>	Code of Ethics

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Yes	No	Financial Management
Required		
<input type="checkbox"/>	<input type="checkbox"/>	▶ Whistleblower Policy (<i>18 USC § 1107 – a.k.a. Sarbanes-Oxley; 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Investment Policy (<i>CRS § 15-1-1103–1109; 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Prohibition on Loans to Board Members/Officers (<i>CRS § 7-128-501; 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Personal Use of Assets/Funds Policy (<i>IRC § 501(c)(3) and 4958; CRS § 7-133-101; 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Compliance with Conditions Placed upon Donations. (<i>CRS § 15-1-1103-1109; CRS § 6-16-111(1)(i); 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Appropriate Categorization of Donated Funds (unrestricted, temporarily restricted or permanently restricted) (<i>CRS § 15-1-1103-1109; CRS § 6-16-111(1)(i); 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Qualify as a Public Charity Under "Public Support Test" or "Facts and Circumstances Test" (<i>IRC § 170(b)(1)(A)(VI) and 509(a)(1); 990</i>)
Recommended		
<input type="checkbox"/>	<input type="checkbox"/>	Financial Statements/Reports
<input type="checkbox"/>	<input type="checkbox"/>	Internal Controls
<input type="checkbox"/>	<input type="checkbox"/>	Board Review and Approval of Tax Filings and Audits (<i>990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	Audit Committee (<i>990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	Expense Reimbursement Policy
<input type="checkbox"/>	<input type="checkbox"/>	Prohibition on Loans to Key Employees (<i>990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	Credit Card Policy and Procedures (<i>990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	Board Review and Approval of Budget
<input type="checkbox"/>	<input type="checkbox"/>	Appropriate Use of Benchmarks/Industry Standards
<input type="checkbox"/>	<input type="checkbox"/>	Financial Reserve Policy (target of 3-6 months)

Yes	No	Fundraising
Required		
<input type="checkbox"/>	<input type="checkbox"/>	▶ Compliance with Fundraising Rules and Regulations. (<i>990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Annual filings with Colorado Secretary of State (<i>CRS § 6-16-104 (1-6)</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Contracted, Professional Fundraisers are Registered (<i>CRS § 6-16-104.3 (2, 9), 104.6(2, 9)</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Contracted, Professional Fundraisers are Monitored (<i>CRS § 6-16-104.6 (8-9)</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Additional Registration Requirements for Certain Activities (i.e. gaming, auctioneering, bingo, raffles) (<i>CCR § 1505-2(3.0); CRS § 6-16-110; 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Provide Appropriate Acknowledgement/Receipts to Donors (<i>IRC § 170(f)(17); 990</i>)

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Yes	No	Fundraising (continued)
<i>Recommended</i>		
<input type="checkbox"/>	<input type="checkbox"/>	Uphold Public Trust.
<input type="checkbox"/>	<input type="checkbox"/>	Adherence to AFP Code of Ethics
<input type="checkbox"/>	<input type="checkbox"/>	Do Not Pay Fundraisers Based on Percentage of Funds Raised or Commissions.
<input type="checkbox"/>	<input type="checkbox"/>	Gift Policies
<input type="checkbox"/>	<input type="checkbox"/>	Gift Acceptance Policy (990)

Yes	No	Human Resources
<i>Required</i>		
<input type="checkbox"/>	<input type="checkbox"/>	▶ Compliance with Employment Law. (990)
<input type="checkbox"/>	<input type="checkbox"/>	▶ All Compensation Paid is Reasonable and Substantiated (CRS § 7-133-102; IRC § 501(c)(3) and 4958; 990)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Eligibility and Classifications (IRS Publication 1779; Fair Labor Standards Act)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Background Checks (may be required)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Compliance with Fair Credit Reporting Act (Fair Credit Reporting Act)
<i>Recommended</i>		
<input type="checkbox"/>	<input type="checkbox"/>	HR Guidelines and Procedures (including equal opportunity employment policy, anti-harassment guidelines, and nondiscrimination guidelines)
<input type="checkbox"/>	<input type="checkbox"/>	Board Review and Approval of Compensation Structure
<input type="checkbox"/>	<input type="checkbox"/>	CEO Evaluation and Compensation Review (Board) (990)
<input type="checkbox"/>	<input type="checkbox"/>	Volunteer Engagement Plan
<input type="checkbox"/>	<input type="checkbox"/>	Provide Clear Job Descriptions.
<input type="checkbox"/>	<input type="checkbox"/>	Annual Performance Evaluations
<input type="checkbox"/>	<input type="checkbox"/>	Retain Personnel Files in Accordance with Document Retention and Destruction Policy

Yes	No	Planning
<i>Required</i>		
<input type="checkbox"/>	<input type="checkbox"/>	▶ Obtain Necessary or Appropriate Insurance. (i.e. unemployment insurance, workers' compensation, D&O insurance, general liability, etc.)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Workers Compensation Insurance (CRS § 8-44-101)
<input type="checkbox"/>	<input type="checkbox"/>	Mission Statement (990)

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Yes	No	Planning (continued)
<i>Recommended</i>		
<input type="checkbox"/>	<input type="checkbox"/>	Vision Statement
<input type="checkbox"/>	<input type="checkbox"/>	Values Statement
<input type="checkbox"/>	<input type="checkbox"/>	Periodic Review of Mission, Vision, and Values
<input type="checkbox"/>	<input type="checkbox"/>	Strategic Plan
<input type="checkbox"/>	<input type="checkbox"/>	Environmental Scan/Assessment
<input type="checkbox"/>	<input type="checkbox"/>	Operational Plan
<input type="checkbox"/>	<input type="checkbox"/>	Risk and Disaster Management Systems
<input type="checkbox"/>	<input type="checkbox"/>	Data Backup and Recovery Plan
<input type="checkbox"/>	<input type="checkbox"/>	Director Liability and Indemnification Provisions (Bylaws)

Yes	No	Evaluation
<i>Recommended</i>		
<input type="checkbox"/>	<input type="checkbox"/>	Responsiveness to Community Needs
<input type="checkbox"/>	<input type="checkbox"/>	Actively Solicit Stakeholder Input/Feedback
<input type="checkbox"/>	<input type="checkbox"/>	Evaluation Systems/Plan
<input type="checkbox"/>	<input type="checkbox"/>	Evaluation Procedures
<input type="checkbox"/>	<input type="checkbox"/>	Assess Evaluation Practices and Modify as Needed

Yes	No	Advocacy, Public Policy & Civic Engagement
<i>Required</i>		
<input type="checkbox"/>	<input type="checkbox"/>	▶ Understand that Nonprofits May Support/Oppose Legislation (subject to lobbying limitations) (<i>IRC § 501(c)(3) and 501(h); 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Prohibition on Supporting/Opposing Candidates or Elected Officials (<i>IRC § 501(c)(3); 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Compliance with Lobbying Reporting Requirements (<i>CRS § 24-6-303; 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ 501(h) election (<i>IRC § 501(c)(3) and 501(h); 990</i>)
<input type="checkbox"/>	<input type="checkbox"/>	▶ Prohibition on Using Federal Funds to Lobby (<i>OMB Circular A-122; 990</i>)

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Yes	No	Advocacy, Public Policy & Civic Engagement
<i>Recommended</i>		
<input type="checkbox"/>	<input type="checkbox"/>	Provide Appropriate Training/Information to Organizational Advocates
<input type="checkbox"/>	<input type="checkbox"/>	Public Policy and Advocacy Plans
<input type="checkbox"/>	<input type="checkbox"/>	Nonpartisan Public Forums
<input type="checkbox"/>	<input type="checkbox"/>	Monitor Public Policy Climate
<input type="checkbox"/>	<input type="checkbox"/>	Actively Participate in Public Policy as Appropriate (may be subject to lobbying limitations)

Yes	No	Communications
<i>Recommended</i>		
<input type="checkbox"/>	<input type="checkbox"/>	Communications Plan
<input type="checkbox"/>	<input type="checkbox"/>	Social Media Policy
<input type="checkbox"/>	<input type="checkbox"/>	Privacy Policy
<input type="checkbox"/>	<input type="checkbox"/>	Brand
<input type="checkbox"/>	<input type="checkbox"/>	Internal Communications Policies & Procedures
<input type="checkbox"/>	<input type="checkbox"/>	Graphic Standards
<input type="checkbox"/>	<input type="checkbox"/>	Identify Key Organizational Spokesperson(s)
<input type="checkbox"/>	<input type="checkbox"/>	Process for Developing Statements and Positions on Issues
<input type="checkbox"/>	<input type="checkbox"/>	Distinguish Between Personal Opinion and Organizational Positions (990)
<input type="checkbox"/>	<input type="checkbox"/>	Grievance Policy/Procedures

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Yes	No	Information Technology
<i>Recommended</i>		
<input type="checkbox"/>	<input type="checkbox"/>	Reliable Information Systems
<input type="checkbox"/>	<input type="checkbox"/>	Information and Technology Use Policy
<input type="checkbox"/>	<input type="checkbox"/>	Data Security Policy
<input type="checkbox"/>	<input type="checkbox"/>	Ongoing IT Training
<input type="checkbox"/>	<input type="checkbox"/>	Technology Plan
<input type="checkbox"/>	<input type="checkbox"/>	Compliance with Applicable Data Security Standards (HIPAA, PCI DSS, COPPA, etc.)
<input type="checkbox"/>	<input type="checkbox"/>	Monitor IT Developments

Yes	No	Strategic Alliances
<i>Recommended</i>		
<input type="checkbox"/>	<input type="checkbox"/>	Foster relationships with prospective community partners
<input type="checkbox"/>	<input type="checkbox"/>	Share Information, Best Practices, and Lessons Learned
<input type="checkbox"/>	<input type="checkbox"/>	Memo of Agreement/Understanding for Collaborative Commitments
<input type="checkbox"/>	<input type="checkbox"/>	Joint Venture Policy